

# Declaration in relation to assistance for the acquisition of shares

# 155(6)a

CHFP025

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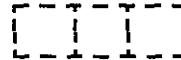
Pursuant to section 155(6) of the Companies Act 1985

Please complete  
legibly, preferably  
in black type, or  
bold block lettering

To the Registrar of Companies  
(Address overleaf - Note 5)

For official use

Company number



4159477

Name of company

\* Cumberland Hotel Limited

**Note**  
Please read the notes  
on page 3 before  
completing this form.

\* insert full name  
of company

\* /We Beverly King, Gerard Paret and Anthony Troy

\* insert name(s) and  
address(es) of all  
the directors

43 Merton Ave.4 Tennyson Ave.Fountains BentLondonTwickenhamBirstwithW4 1TATW1 4BYHarrogateNorth Yorkshire HG3 2PN

† delete as  
appropriate

~~The sole director~~ [all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

§ delete whichever  
is inappropriate

~~(a) that of a [recognised bank] [licensed institution]† within the meaning of the Banking Act 1979~~

~~(b) that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom~~

(c) something other than the above§

The company is proposing to give financial assistance in connection with the acquisition of shares in the

[company] ~~[company's holding company]~~

limited)†

The assistance is for the purpose of [that acquisition] ~~[reducing or discharging a liability incurred for the purpose of that acquisition]†~~

The number and class of the shares acquired or to be acquired is: 275 preferred ordinary  
shares of one pound each

Presenter's name address and  
reference (if any):

Clifford Chance Limited Liability  
200 Aldersgate Street  
London  
EC1A 4JJ

DX No 606 LONDON  
(Doc: Lon-3/644581/1)

For official Use  
General Section



A40  
COMPANIES HOUSE

\*APD0RZAC\*

0069  
27/03/01

LD3  
COMPANIES HOUSE

0445  
19/03/01

The assistance is to be given to: (note 2) Grand Hotels (Cumberland) Acquisition Company  
Limited, 50 Victoria Embankment, Blackfriars, London EC4Y 0DX

Please do not  
write in this  
margin

Please complete  
legibly, preferably  
in black type, or  
bold block  
lettering

The assistance will take the form of:

See attached

The person who [has acquired] ~~[will acquire]~~† the shares is:

† delete as  
appropriate

Grand Hotels (Cumberland) Acquisition Company Limited

The principal terms on which the assistance will be given are:

See attached

The amount of cash to be transferred to the person assisted is £ 0

The value of any asset to be transferred to the person assisted is £ 0

The date on which the assistance is to be given is 14 March 2001

Please do not  
write in this  
margin

Please complete  
legibly, preferably  
in black type, or  
bold block lettering

\* delete either (a) or  
(b) as appropriate

~~1/~~We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

- (a) ~~1/~~We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]\* (note 3)
- (b) ~~It is intended to commence the winding up of the company within 12 months of that date, and 1/ we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.]\* (note 3)~~

And ~~1/~~we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at 160 Aldersgate Street  
London  
EC1A

Declarants to sign below

Day Month Year  
on 

14	03	2001
----	----	------

before me PATRICK BERGET

A ~~Commissioner for Oaths or Notary Public or Justice of the Peace or a~~ Solicitor having the powers conferred on a Commissioner for Oaths.

## NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.
- 5 The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies  
Companies House  
Crown Way  
Cardiff  
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies  
37 Castle Terrace  
Edinburgh  
EH1 2EB

Attachment to Form 155(6)a

Cumberland Hotel Limited

The assistance will take the form of:-

1. Accession to a multi-tranche Facility Agreement of up to £115,000,000 (incorporating an uncommitted overdraft facility of £3,000,000) entered into on 13 March 2001 between, Grand Hotels (Cumberland) Acquisition Company Limited ("GH(C)ACL") as Original Borrower and Original Guarantor and The Royal Bank of Scotland plc as Security Trustee, Overdraft Lender and Lender (as defined therein) (the "**Facility Agreement**");
2. Guarantee and Debenture to be entered into on or about 14 March 2001 (the "**Guarantee and Debenture**") and to be granted by the company in favour of The Royal Bank of Scotland plc as security trustee for the benefit of the Creditors (as defined therein);
3. Accession to an Intercreditor Agreement entered into on 14 March 2001 between GH(C)ACL as Original Borrower and Original Guarantor, The Royal Bank of Scotland plc as Security Trustee, Overdraft Lender and Lender and Grand Hotels (Cumberland) Services Company PLC as Subordinated Creditor (the "**Intercreditor Agreement**").
4. An inter-company loan agreement to be entered into on or about 14 March 2001 (the "**Downward Intercompany Loan**") between Grand Hotels (Cumberland) Acquisition Company Limited as lender and the company as borrower.
5. An inter-company loan agreement to be entered into on or about 14 March 2001 (the "**Upward Intercompany Loan**") between the company as lender and Grand Hotels (Cumberland) Acquisition Company Limited as borrower.

The principal terms on which assistance will be given are:-

1. By acceding to the Facility Agreement, the company will:-
  - (a) guarantee punctual performance by the Borrower of its obligations under the Senior Finance Documents;
  - (b) undertake to pay on demand an amount equal to any amount not paid when due by the Borrower under or in connection with any Senior Finance Document as if it was the principal obligor;
  - (c) indemnify in respect of any cost, loss or liability suffered by any Finance Party if any obligation guaranteed is or becomes unenforceable invalid or illegal;
  - (d) make certain representations to the Finance Parties;

- (e) undertake to provide certain financial statements;
- (f) undertake to comply with certain financial covenants; and
- (g) undertake to comply with certain general undertakings including an undertaking not to create or permit to subsist any security over any of its assets and not to dispose of any of its assets (subject to certain exceptions).

2. By executing the Guarantee and Debenture, the company will:-

- (a) grant a guarantee and indemnity to the Security Trustee in respect of the Guaranteed Liabilities;
- (b) as security for the payment of all the Liabilities, charge in favour of the Security Trustee:-
  - (i) by way of first legal mortgage, all Real Property in England and Wales belonging to it;
  - (ii) by way of first equitable charge, all other Real Property now belonging to it and all Real Property acquired by it in the future;
  - (iii) by way of first fixed charge, all its present and future book debts, bank accounts, investments, uncalled capital and goodwill, intellectual property, beneficial interest in any pension fund, plant and machinery (except that mortgaged or charged by way of first legal mortgage or first fixed equitable charge), insurances and all related rights, claims of any kind, returns of premium and other benefits and related rights, interest and benefit in the Acquisition Documents; and
  - (iv) by way of first floating charge, its undertaking and all its assets, both present and future (including assets expressed to be charged by way of first legal mortgage, first fixed equitable charge and first fixed charge); and
- (c) the guarantee and fixed and floating security document contains a covenant for further assurances and a covenant not to create any other security or dispose of any asset.

3. By acceding to the Intercreditor Agreement, the company will:-

- (a) acknowledge the priority of the Senior Debt and the Subordinated Debt; and
- (b) amongst other things undertake not to pay or repay any of the Subordinated Debt, or deal with it in any other way.

4. By the Downward Intercompany Loan, Grand Hotels (Cumberland) Acquisition Company Limited will commit itself to make loans to the company for general working capital purposes and the company thereunder must repay amounts lent to it by Grand Hotels (Cumberland) Acquisition Company Limited together with interest.

5. By the Upstream Intercompany Loan the company will commit itself to lend to Grand Hotels (Cumberland) Acquisition Company Limited an amount equal to its indebtedness under the Finance Documents (as defined in the Facility Agreement) and the Notes issued under and as defined the Acquisition NIF and Grand Hotels (Cumberland) Acquisition Company Limited must repay amounts lent to it by the lender together with interest.

Capitalised terms not defined here have the meanings assigned to them in the relevant document. The following terms have the following meanings for the purpose of this Form 155(6)a only:

**"Guaranteed Liabilities"** means all present and future money, debts and liabilities, due, owing or incurred the company to any Creditor under the Creditor Finance Documents in any manner whatsoever (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise).

**"Liabilities"** of the company means all present and future moneys, debts and liabilities (including the Guaranteed Liabilities) due, owing or incurred by it to any Creditor in relation to any of the Creditor Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal surety or otherwise).

**"Creditor Finance Document"** means:

- (a) a Senior Finance Document; and
- (b) a Subordinated Finance Document.

**"Senior Finance Document"** means the Facility Agreement, any Interest Rate Protection Agreement, the Intercreditor Agreement, the Debenture, the Guarantee and Debenture, any Accession Letter and any other document designated as such by the Lender and Grand Hotels (Cumberland) Acquisition Company Limited (all as defined in the Facility Agreement).

**"Subordinated Finance Document"** means:

- (a) the Acquisition NIF;
- (b) any note issued pursuant to the Acquisition NIF;
- (c) the deeds of covenant made by Grand Hotels (Cumberland) Acquisition Company Limited in relation to the Acquisition NIF, dated on or about 12 March 2001;
- (d) any document entered into in respect of New Subordinated Debt; and
- (e) any other agreement or instrument which may be designated as such by both the Security Trustee and the Subordinated Creditors.

**"Acquisition NIF"** means the £77,400,000 zero coupon note subscription commitment facility for acquisition costs dated on or about 12 March 2001 and made between Grand Hotels (Cumberland) Services Company plc and Grand Hotels (Cumberland) Acquisition Company Limited.



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Telex 8811541 KPMGLO G  
DX 38050 Blackfriars

**Private & confidential**

The Directors  
Cumberland Hotel Limited  
Carmelite  
50 Victoria Embankment  
London EC4Y 0DX

14 March 2001

Dear Sirs

**Auditors' report to the directors of Cumberland Hotel Limited (the "Company") pursuant to Section 156(4) of the Companies Act 1985**

We have examined the attached statutory declaration of the directors dated 14 March 2001 in connection with the proposal that the Company should give financial assistance for the purchase of the 275 preferred ordinary shares of the Company. We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Yours faithfully

KPMG



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KPMG is registered to carry on audit work and authorised to carry on investment business

by the Institute of Chartered Accountants in England and Wales. The principal place of

business is 8 Salisbury Square, London EC4Y 8BB where a list of partners' names is open to inspection